

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:

JEROLD SHAN

Serial No.: 09/852,611

Filed: May 9, 2001

For: AN ON-LINE SHOPPING CONVERSION
SIMULATION MODULE

Group Art Unit: 3621

Examiner: AUGUSTIN, EVENS J

Conf. No.: 4891

REPLY BRIEF
ON APPEAL TO THE BOARD OF PATENT APPEALS AND INTERFERENCES

Mail Stop Appeal Brief - Patent
Commissioner for Patents
P.O. Box 1450
Alexandria, Virginia 22313-1450

This Reply Brief is submitted in response to the Examiner's Answer, which was mailed on April 30, 2008.

The Examiner's Answer mainly repeats the rejections that were set forth in the Office Action dated September 10, 2007, from which the present appeal was taken. The only new arguments are set forth in the section of the Answer titled "Response to Argument" on pages 6-7 of the Answer. There, the Examiner makes certain arguments in response to some of the points raised in the Appeal Brief.

However, the Examiner's Answer does not address all of the points set forth in the Appeal Brief, and in some cases it is not clear exactly which of such points the

arguments in the Examiner's Answer are attempting to address. Accordingly, the arguments in the Examiner's Answer simply are addressed in the order in which they were made by the Examiner.

The Examiner initially attempts to mischaracterize certain points made by Appellant, asserting, "appellant would lead one skilled in the art to believe that advertisement is not related to promotion." Such a mischaracterization is nothing more than an attempt to set up a straw man that can be easily knocked down.

Appellant certainly has not asserted or even implied that advertising is unrelated to the presently recited "sales promotions". There clearly is a relationship, in that an advertisement can be (and often is) used to offer a sales promotion. At the same time, there are very significant distinctions between the two. For example, a single sales promotion can be offered to potential purchasers through any of a variety of different advertisements and, correspondingly, vastly different sales promotions can be offered using nearly identical advertisements. On the other hand, an advertisement need not offer any sales promotion at all (instead simply attempting to make a product appear chic or desirable, providing information about a product, or raising awareness of a product). It is even possible (although probably not common) for a sales promotion to be offered without the use of an advertisement (e.g., in a face-to-face offer).

One of the main reasons for these distinctions is that the term "sales promotion", as presently recited, refers to the substantive terms of deals that are used to attract customers, as evidenced, e.g.: (1) by the various explicit references to *offering* sales promotions (or even *lavishing* sales promotions), both in the claims and in the Specification; and (2) by the examples of "sales promotions" provided in the

Specification (each such support element as described in greater detail in the Appeal Brief). On the other hand, an advertisement is a communication that includes form and content, with form often dominating as the principal aspect.

Appellant's statement (quoted by the Examiner) that, "Gerace only appears to distinguish advertisements based on their exact makeup, not on the terms of any promotions that might be included within them," emphasizes that Gerace fails even to distinguish between these two very different aspects of an advertisement, rather than to suggest that there is absolutely no relationship between advertisements and offered sales promotions. Moreover, to the extent that Gerace is concerned with the content of an advertisement, such concern seems to focus exclusively on the kind of product or service that is being advertised. There is absolutely no disclosure in Gerace about distinguishing advertisements based on the kinds of sales promotions offered, much less, e.g., about simulating shopping behavior as a function of promotion attributes, using a mathematical model to relate promotion attributes to shopper profile information in order to estimate effectiveness of a particular sales promotion, or offering promotions based on a mathematical model, as recited in the presently pending independent claims.

In any event, whether an advertisement might be "related to" an offered sales promotion seems irrelevant to the present issue. Specifically, any argument that Gerace might disclose something that is merely "related to" the presently claimed invention is insufficient to show that Gerace actually anticipates the invention.

The Examiner next attempts to equate Gerace's advertisement with a "sales promotion", as the latter term is used in the present claims. Specifically, the Examiner

argues that, “A promotion might also be a single mailing within a direct mail campaign or series of advertisements that make up part of an ongoing print advertising campaign.” However, whatever merits such an argument might have in the abstract, it clearly does not make sense within the context of the present claims.

In particular, independent claims 1 and 10 recite the features of “sales promotions that have been offered” and of “offering promotions”. Similarly, independent claim 35 recites “sales promotions that were offered to the shoppers” and “offering promotions”.

Contrary to the Examiner's attempted mapping, an advertiser does not *offer* a single mailing within a direct mail campaign or a series of advertisements that make up part of an ongoing print advertising campaign to the intended recipients. Rather, such advertisements are simply displayed or delivered.

Gerace itself clearly does not say anything at all about “offering” any of its advertisements, and even the Examiner has not argued that it does. Instead, the Examiner attempts to argue that Gerace's advertisements fall within some proposed generic definition of a “promotion”, ignoring the way in which the term “sales promotion” is used consistently throughout the present Specification and claims, and also ignoring the other terms within the present claims that surround the term “sales promotion”.

The Examiner further argues that,

“The prior art by Gerace is regarding recording user/customer/client tendencies in order to provide customized or targeted advertisement. For example, when a [user] goes on the web and browses through stock market data, weather or sports (C4, L6-7), Gerace **records/logs** the user's selection (C4, 12) to create a customer preference or profile based on various categories. The various categories of interest include stock trading portfolio, sports, news, weather, theater and television schedules, telephone directory, travel data, classified ads and personals information, and the

like(C6, L28-32). Based on the created customer profile, Gerace provides the user [a] targeted advertisement that matches the user preference (C4, L30-36)."

In response, it is fair to say that Gerace discloses the feature of targeting advertisements based on user preferences and based on assumed user interests, the latter being inferred based on user activity such as browsing. However, such subject-matter advertisement targeting is quite different than attempting to determine what kinds of sales promotion offers would be most effective with respect to individual shoppers.

The Examiner further argues, "Gerace also uses information/data collected from the user to create or simulate a behavioral or psychographic profile (C2, L4-5)." In response, it is noted that the "psychographic profile" referenced in Gerace simply reflects user preferences "with respect to color schemes, text size, shapes, and the like." See, e.g., column 2 lines 10-23 of Gerace. That is, Gerace's psychographic profile apparently is used only to determine the form of an advertisement that would be most pleasing to a recipient, and does not reflect any preference for any kind of content.

As a side note, and as already noted above, Gerace's only interest in content appears to be a desire to match delivered advertisements to the recipient's presumed interests. It does not say anything at all about identifying the kinds of sales promotion offers that would be most effective with respect to individual shoppers.

The Examiner next comments that, "Gerace also teaches the aspect of providing the user with discount fares (C32, L14)." In response, it is noted that the referenced portion of Gerace (column 32 line 14) is taken from Gerace's Appendix III. As noted at column 11 lines 24-45 of Gerace, Appendix III merely lists certain user customizations that may be made to the structured data provided on the user's home page. The ability for a user to input customizations in this manner is an entirely different aspect of

Gerace's system and appears to be completely unrelated to anything that is presently claimed. For example, such user customizations have nothing at all to do with inputting customer profile information, web log information and promotion attributes into a model for simulating shopping behavior as a function of customer profile information and promotion attributes, as recited in independent claims 1 and 10; or to using a mathematical model to relate any promotion attributes to shopper profile information in order to estimate effectiveness of a particular sales promotion with respect to at least one specified shopper, as recited in independent claim 35.¹

The Examiner also argues,

"Furthermore, Gerace [uses] regression analysis to investigate the degree to which variations on the recorded customer profile are correlated in order to better fine tune the targeted ads (C2, L43-54)."

However, as described in the referenced portion of Gerace, this regression analysis mentioned by the Examiner is only used in Gerace in connection with Gerace's psychographic profile (which, as noted above, merely pertains to the form of an advertisement) and to demographic characteristics of users. Such regression has nothing to do with modeling in connection with sales promotion attributes. In addition, the referenced portion of Gerace does not say anything at all about any logistic regression model, as is recited in certain of the dependent claims.

Finally, the Examiner asserts,

"Appellant appears to be arguing elements that were not claimed ('Gerace says nothing at all about distinguishing advertisements by considering how such different kinds of material might be substantively related to each other' page 13, paragraph 2 of brief)."

¹ It is noted that Appellant is arguing independent claim 35 separately from independent claims 1 in 10.

In response, it is noted that the purpose of the sentence quoted by the Examiner was not to emphasize any particular claim limitation, but rather to point out that Gerace fails to disclose even the broader concept of distinguishing between advertisements based on the promotions included within them. Thus, the immediately following sentence in the Appeal Brief states,

"More specifically, Gerace only appears to distinguish advertisements based on their exact makeup, not on the terms of any promotions that might be included within them."

In short, it is not believed that the Examiner's new arguments in the Answer refute any of the points made by Appellant in the Appeal Brief. Accordingly, Appellant continues to believe that the rejections of claims 1, 4, 6-10, 13, 15-35 and 37-42 should be reversed and a Notice of Allowance issued.

Respectfully submitted,

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